

**TOWN OF GRANBY  
BOARD OF FINANCE  
MINUTES OF PUBLIC HEARING  
APRIL 9, 2012**

**PRESENT:** Michael Guarco, Chairman; Francis Brady, Robert Clark, Frederick Moffa, OD; and Al Wilke

**Also present:** John E. Adams, First Selectman; William F. Smith, Jr., Town Manager; J. Cal Heminway, Board of Education Chair; and Alan Addley, Superintendent of Schools

Board of Finance Chairman Guarco called the public hearing to order at 7:00 p.m. He opened the hearing by stating that according to Town Charter this hearing is held on the second Monday in April to present the budget proposal for the upcoming fiscal year. The annual town meeting will be held two weeks later on Monday, April 23, 2012. Chairman Guarco introduced members of his Board.

Chairman Guarco stated the order in which presentations would be made: town operations budget, school operations budget, and questions and answers or comments would follow.

Chairman Guarco gave a quick overview of the budget. Highlights were:

- FY 2013 combined budget increase is .98%
- Mill rate increase is 1.96%.
- Last year's mill rate was 30.10 and increases to a proposed mill rate of 30.69 for FY 2013.
- The last four (4) years the increase total for the budget was 2%.
- For the last four (4) years, the average mill rate change was 1.1%.

Chairman Guarco commented the Board of Finance's intent was to keep the property tax fairly flat and hold the line on overall spending.

He thanked the Boards of Education and Selectmen, Town Manager, and Superintendent of Schools for working hard on the budgets with the Board of Finance.

First Selectman Adams presented the Selectmen's Budget. He thanked the Board of Selectmen, Town Manager Smith, the Administration Finance Officer, and Department Heads.

Some of First Selectman Adams budget highlights from slides were:

- Budget process consists of several meetings and workshops, the development of a plus one budget, and presentations to the Board of Finance, Public Hearing, and Town Meeting. This process allows at least eight (8) opportunities to comment on the municipal and education budgets.
- The Board of Selectmen must ensure that all State mandated services are funded. For example, we must have a town clerk that records vital records; we must have an assessor, and a tax collector.
- The Board of Selectmen strive to meet goals, which are:
  - Meet debt obligations

- Maintain essential Town Services
- Maintain Capital Assets
- Meet the expectations of the residents for services and facilities
- Anticipate and model future needs

He indicated the 2012-13 budget request is \$40,881,148 of which \$13,628,317 is the municipal service budget including debt service. The municipal expenditures are General Government Departmental - \$9,172,907, Capital Budget - \$1,100,000, Capital Non-recurring Expenditure Levy - \$40,000, Economic Development Funds - \$10,000, and Debt Service - \$3,305,410 (a decrease of 3.9% from last year).

First Selectman Adams highlighted the General Government Departmental budget. He indicated that there is a set aside amount of \$57,000 in Contingency for two salary agreements. There has been an increase in health insurance and pension amounting to 45,165. Another significant increase is for heating fuel and building repairs at \$10,000. There is also a \$30,000 decrease in the Solid Waste tip fee due to our new contract with CRRA.

He demonstrated another view of how the General Government Departmental budget of \$13,628,317 by showing a pie chart including percentages and dollar amounts. The chart showed:

- Administration - \$3,319,364 or 24.4%
- Debt Service - \$3,305,410 or 24.3%
- Public Works & Environment - \$2,806,290 or 20.6%
- Personal & Property Protection - \$2,263,727 or 16.6%
- Capital Budget - \$1,100,000 or 8.1%
- Libraries, Recreation & Social Services - \$783,526 or 5.7%
- CNEF Levy - \$40,000 or 0.3%
- Economic Development Funds - \$10,000 or 0.1%

First Selectman Adams explained the slide "How To Fund the Budget Request". The budget is funded with a little more than 75% of the total amount coming from property taxes, an increase of \$884,390 over last year. Intergovernmental revenues in the amount of \$6,750,376. Local revenues from fees for services, permits, rents, interest from short term investments, and use of CNEF total \$711,440. Lastly, fund transfers in the amount of \$1,224,000 for use of General Fund Balance.

He indicated in a slide what the budget does.

- Attempts to maintain quality services with reductions through responsible budgeting.
- Responsibly manages the town's debt requirements, and other long-term obligations, while realizing a decrease in 2012-13 of \$135,004 in debt service payments.
- Maintains a 5%+ General Fund balance
- Responsive to the needs of our community in these difficult economic times.

First Selectman Adams pointed out that Municipal Services for several years have had needs in several areas. These areas are Police Detective/Youth Services Officer, Library Hours, DPW Maintainer, Recreational Services, Fire Prevention, and Finance Management. These areas will need a plan for accomplishing the additional staff in future years.

J. Cal Heminway Jr., Board of Education Chairman gave the budget presentation. He thanked the Superintendent of Schools, the Business Manager, the Board of Finance and the community for their continued support of the school system.

He highlighted the school's;

- Vision: Every student educated in Granby Public Schools to graduate on time and be prepared for 21<sup>st</sup> century citizenship,
- Mission: All students will become thinkers, collaborators and contributors,
- Achievement Goal: Enable students by 2015 to demonstrate powerful thinking by systemically solving problems through analyzing and synthesizing information and articulating/defending a position.

Another slide showed the Board of Education's 5-year budget history.

	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>
Town	4.5%	1.9%	0%	2.6%	2.0%
BOE	4.5%	1.6%	0%	1.2%	1.0%
BOE Annual Return to the Town	\$304,265	\$338,178	\$156,442	N/A	N/A

Some other highlights from the slides were:

- Personnel Summary
  - Net -0.8 FTEs from operating budget
  - Net -9.2 FTEs from Special Education Review
  - Net +7.1 FTEs from Q& D Fund & Open Choice Support Grant
- Pie Chart of the Operating Budget is \$27,252,831
  - Regular Education Salaries & Benefits - \$17,641,427 or 64.7%
  - Utilities - \$854,753 or 3.2%
  - Buses - \$899,970 or 3.3%
  - Bldg. Maint., Legal Insurance & Misc. - \$903,132 or 3.3%
  - Supplies, Purchased Services & Student Activities - \$1,962,513 or 7.2%
  - Other Special Education Costs - \$1,292,726 or 4.7%
  - Special Education Salaries & Benefits - \$3,698,310 or 13.6%
- Health & Dental Benefits FY13
  - Gross Costs \$4,162,297
  - Employees Contributions (\$660,821)
  - Retiree Contributions (\$562,670)
  - Grant Funded (\$58,352)
  - Net Cost to BOE \$2,880,454
- Special Education Outplacements
  - \$35,147 increase (3.1%).
  - \$5,646 decrease in Excess Cost Grant.
  - \$40,793 net cost increase to the Town for FY13.

- 5% of special education students in FY12 are outplaced

Chairman Heminway commented in his presentation about Conclusions and Concerns/Issues by the Board of Education:

- Conclusions
  - Our schools have wonderful students, dedicated teachers and a high degree of parent and community support.
  - Granby is receiving a great return on its educational investment.
  - The community is deservedly proud of the school system.
  - The reputation and recognition of the school system continues to grow.
  - District operations are highly efficient and resources are used wisely.
  - Funds are used in ways that make a difference in student achievement.
- Concerns/Issues
  - Complacency with the status quo.
  - No funding for unanticipated expenditures.
  - Little room to realize future operational savings.
  - Use of increased Open Choice funding.
  - Advancing strategic initiatives and meeting mandates with low operating budgets.
  - Unanticipated Federal and state mandates.
  - Unaddressed large capital facility and storage needs.

He highlighted the Quality and Diversity as an expenditure plan that is developed each year as part of the budget development cycle. Revenues are then appropriated from the fund to cover these expenses.

	FY13
	<u>Proposed</u>
Projected Revenues	\$616,445
Fund Balance Revenue	<u>\$74,485</u>
Total Revenue	\$690,930
Proposed Expenditures	\$690,930
Ending Fund Balance	\$524,624

The new FY13 New Expenditures in Quality and Diversity are:

- Extended/Full Day Kindergarten program - \$328,424
- Chinese Mandarin III - \$15,420
- Extracurricular advisor stipends for two clubs - \$1,636

The Small Capital plan is outlined as:

- Transportation
  - Existing Equipment Leases                      \$185,502

– New Commitments	\$33,221
• Building Maintenance	\$160,037
• Furniture & Equipment	\$15,000
• Technology	
– Existing Equipment Leases	\$201,202
– New Commitments	\$30,038
Total	\$625,000

The Budget Summary slide highlighted the Board of Education budget as:

Operating Budget Request	\$27,252,831
Educational Capital Improvement Fund	\$625,000
Quality and Diversity Fund	\$690,930
Board of Education Appropriation Request	\$28,568,761

### **PUBLIC INPUT FY 2011-12**

There were several comments from residents supporting the budget and no dissenting comments were received. Many of the residents expressed the support for world language being offered to 5<sup>th</sup> and 6<sup>th</sup> graders. The public overall expressed their appreciation for developing the budget.

### **ADJOURNMENT**

After all public input was heard; Chairman Guarco adjourned the public hearing at 8:55 p.m.

Respectfully submitted,

Patricia I. Chieski  
Recording Secretary